

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2010, Quarter Ended December 31, 2009**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents		17,151,124	1,290,327	3,615,233	22,056,684
Cash Held with Escrow Agents	1	671,115	0	0	671,115
Accounts Receivable					
Accounts Receivable	2	356,232	30	58	356,320
Due From Other Funds	3	0	0	0	0
Consumable Inventories	4	169,204	(5,409)	0	163,795
Total Current Assets		18,347,675	1,284,947	3,615,291	23,247,913
RESTRICTED ASSETS:					
Collateral Held for Security Lending Agreements	5	0	0	0	0
Total Restricted Assets		0	0	0	0
TOTAL ASSETS		18,347,675	1,284,947	3,615,291	23,247,913
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Accounts Payable	6	874,354	49,825	0	924,179
Retained Percentages Payable	1	671,115	0	0	671,115
Due to Other Governments	7	0	0	0	0
Due to Other Funds	3	387	3,006	0	3,393
Due to Other Agencies	3	0	20,463	0	20,463
Due to Department of Revenue - Taxes	8	4,564	0	0	4,564
Deferred Revenue	9	0	0	3,614,279	3,614,279
Unclaimed Property Refund Liability	10	0	0	295	295
Liability for Cancelled Warrants	11	2,728	0	718	3,446
Total Current Liabilities		1,553,148	73,294	3,615,291	5,241,733
OTHER LIABILITIES:					
Obligations Under Security Lending Agreement	5	0	0	0	0
Total Other Liabilities		0	0	0	0
TOTAL LIABILITIES		1,553,148	73,294	3,615,291	5,241,733
FUND BALANCE					
Reserved for Inventories	4	177,259	(9,909)	0	167,350
Unreserved/Undesignated Fund Balance	12	16,617,268	1,221,563	0	17,838,830
Total Fund Balance		16,794,526	1,211,654	0	18,006,180
TOTAL LIABILITIES AND FUND BALANCE		18,347,675	1,284,947	3,615,291	23,247,913

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental type funds.

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The note disclosures are an integral part of these financial statements and should be considered in conjunction with the financial statements.

Notes:

- 1 Cash held with escrow agents are included in performance based contracts wherein periodic program payments are made to the contractor with a contractual retainage of payment made to an escrow agent instead of directly to the contractor pending acceptance of work completed under the contract terms. Until the contract terms are satisfied and the contractor earns entitlement, the cash in escrow is carried in the financial statements as both an asset due from the escrow agent and as a retainage liability due to the contractor. TransCore, primary contractor for operating the Tacoma Narrows Bridge, is the sole vendor for which cash is being held in escrow.
- 2 Accounts Receivable consists primarily of funds collected through acceptance of the customer's credit and/or debit card for central toll accounts and credit card payment at Tacoma Narrows Bridge toll booths. The amounts due are sales by December 31st wherein the cash transfer from the credit card companies will occur after December 31st.
- 3 Inter-fund activity is for goods and/or services provided between governmental funds within the Department of Transportation. Inter-agency activity is for goods and/or services provided to or by other Washington State Agencies.
- 4 Consumable inventory, consisting of toll transponders and transponder disabling devices, are valued and reported on the state's financial statements if the fiscal year-end balance on hand is estimated to be \$25,000 or more. Consumable inventory are valued at cost using the first in, first out (FIFO) method. For governmental fund financial reporting, inventory balances are also recorded as a reservation of fund balance indicating that they do not constitute available spendable resources. For the quarter ended December 31, the Hot Lanes account shows an inverse balance for consumable inventory. Also, the consumable inventory and the reserve account balances do not match. WSDOT will correct both of these consumable inventory balance issues on next quarter's financial statements.
- 5 State statutes permit the Office of State Treasurer to lend securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.
- 6 Accounts payable represents accrued payments due to non-governmental vendors as of December 31st.
- 7 Inter-governmental activity is for goods and/or services provided to or by local governments.
- 8 The Department owes sales taxes on the sale of transponder devices. These are remitted to the Department of Revenue monthly.
- 9 Deferred Revenue is resources, generally cash, collected from customers for automated toll accounts. The revenue is not recognized until the transponder is "read" as the customer's vehicle crosses the Tacoma Narrows Bridge or enters a Hot Lane as a single occupant vehicle. Until this event, the toll transponder account is a liability owed to the customer.
- 10 After twenty-four months of inactivity, customer toll accounts are close and remaining balances are refunded to the customer. Every effort is made to contact the customer, but occasionally an accurate address is unavailable. In cases where Good To Go cannot find the customer, WSDOT remits the customer's balance to the Department of Revenue Unclaimed Property Section. The balance in Unclaimed Property Refund Liability represents amounts that will be remitted to the Department of Revenue.
- 11 Occasionally, the Department is unable to remit payment for goods or services to a vendor because the vendor cannot be located, such as when the vendor changes addresses without notifying the Department. Since we still owe the vendor for the goods or services provided, we must cancel the original warrant (check), find the vendor, and reissue the warrant (check). This line item represents the liability to the vendors whom the Department owes money but temporarily cannot locate to deliver their funds.
- 12 In the fund financial statements, governmental funds report the difference between fund assets and fund liabilities as "fund balance". Unreserved/undesignated fund balance represents the amount available for appropriation.